

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

RECEIVED

APR 15 2004

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY
AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

W-02481A
Serviceberry Water Company
P. O. Box 8761270
Taylor AZ 85939
Shaw Low, AZ 85902

ANNUAL REPORT

FOR YEAR ENDING

12	31	2003
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FOR COMMISSION USE

Ann04	03
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COMPANY INFORMATION

Company Name (Business Name) <u>Serviceberry Water Co.</u>			
Mailing Address <u>P.O. Box 1270</u>			
<u>Show Low</u> (City)	<u>AZ</u> (State)	<u>85902</u> (Zip)	
<u>928-537-8739</u> Telephone No. (Include Area Code)	<u>Same</u> Fax No. (Include Area Code)	<u>928-532-6941</u> Pager/Cell No. (Include Area Code)	
Email Address <u>NA</u>			
Local Office Mailing Address <u>Same as above</u>			
<u>Same</u> (City)	<u>Same</u> (State)	<u>Same</u> (Zip)	
<u>Same</u> Local Office Telephone No. (Include Area Code)	<u>Same</u> Fax No. (Include Area Code)	<u>Same</u> Pager/Cell No. (Include Area Code)	
Email Address _____			

MANAGEMENT INFORMATION

Management Contact: <u>Mark Grapp</u>			
<u>P.O. Box 1270</u> (Street)		<u>Show Low</u> (City)	<u>AZ</u> (State)
<u>85902</u> (Zip)		<u>928-532-6941</u> Pager/Cell No. (Include Area Code)	
<u>928-537-8739</u> Telephone No. (Include Area Code)	<u>Same</u> Fax No. (Include Area Code)	<u>Same</u> Email Address	
On Site Manager: <u>Mark Grapp</u>			
<u>P.O. Box 1270</u> (Street)		<u>Show Low</u> (City)	<u>AZ</u> (State)
<u>85902</u> (Zip)		<u>928-532-6941</u> Pager/Cell No. (Include Area Code)	
<u>928-537-8739</u> Telephone No. (Include Area Code)	<u>Same</u> Fax No. (Include Area Code)	<u>NA</u> Email Address	

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: NA
(Name)

(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Attorney: NA
(Name)

(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|---|
| <input checked="" type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|--|-----------------------------------|-----------------------------------|
| <input checked="" type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	—	—	—
302	Franchises	—	—	—
303	Land and Land Rights	20,000.-	NA	20,000.-
304	Structures and Improvements	2,590.-	1,554.-	1,036.-
307	Wells and Springs	9,490.-	5,664.-	3,826.-
311	Pumping Equipment	4,500.-	2,700.-	1,800.-
320	Water Treatment Equipment	—	—	—
330	Distribution Reservoirs and Standpipes	2,976.-	1,786.-	1,190.-
331	Transmission and Distribution Mains	35,076.-	13,358.-	21,718.-
333	Services	802.-	358.-	444.-
334	Meters and Meter Installations	759.-	604.-	155.-
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	76,193.-	26,024.-	50,169.-

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights	20,000.-	0	0
304	Structures and Improvements	2,590.-	5%	129.50
307	Wells and Springs	9,490.-	5%	474.50
311	Pumping Equipment	4,500.-	5%	225.-
320	Water Treatment Equipment	—	—	
330	Distribution Reservoirs and Standpipes	2,976.-	5%	148.80
331	Transmission and Distribution Mains	35,076.-	5%	1,753.78
333	Services	802.-	5%	40.10
334	Meters and Meter Installations	759.-	5%	37.95
335	Hydrants			
335	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	76,193.-	5%	2,809.63

This amount goes on Comparative Statement of Income and Expense
Acct. No. 403.

COMPANY NAME

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 263.14	\$ 730.58
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	1,236.89	#1,449.58
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 1,500. ⁰³	\$ 2,180. ¹⁶
	FIXED ASSETS		
101	Utility Plant in Service	\$ 75,724.63	\$ 76,193.-
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(23,214.17)	(26,024.)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 52,510.50	\$ 50,169.-
	TOTAL ASSETS	\$ 54,010.53	\$ 50,169.-

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	1,800.-	1,900.-
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 1,800.-	\$ 1,900.-
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	2,500.-	2,500.-
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		44.20
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$ 4,300.-	\$ 4,355.80
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)	45,410.53	50,169.-
	TOTAL CAPITAL	\$45,410.53	\$50,169.-
	TOTAL LIABILITIES AND CAPITAL	\$ 49,710.53	\$ 54,524.80

COMPANY NAME

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 9,469.71	\$11,398.86
460	Unmetered Water Revenue		
474	Other Water Revenues	75.00	15.00
	TOTAL REVENUES	\$ 9,544.71	\$ 11,413.86
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 3,742.91	\$ 5,111.72
610	Purchased Water		
615	Purchased Power	449.58	754.59
618	Chemicals		
620	Repairs and Maintenance		
621	Office Supplies and Expense	206.12	860.61
630	Outside Services	132.06	2467.37
635	Water Testing	344.33	220.00
641	Rents		
650	Transportation Expenses	34.26	1,287.42
657	Insurance – General Liability	21.00	389.78
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	35.13	60.99
403	Depreciation Expense	2,786.23	2,809.63
408	Taxes Other Than Income	593.97	650.89
408.11	Property Taxes	312.30	286.78
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 8,657.89	\$ 14,899.78
	OPERATING INCOME/(LOSS)	\$ 886.82	\$ (3,485.92)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	20.53	2.86
	TOTAL OTHER INCOME/(EXPENSE)	\$ (20.53)	\$ (2.86)
	NET INCOME/(LOSS)	\$ 866.29	\$ (3,483.06)

COMPANY NAME

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	NA	NA	NA	NA
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$

0

Meter Deposits Refunded During the Test Year

\$

0

COMPANY NAME

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-0511289	3	25	6	400	NA	19

- Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
NA		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
2	1	Ø	Ø

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
10,000	1	120	1

COMPANY NAME

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	660
3		
4	PVC	2,880
5		
6	PVC	1,495
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	21
3/4	1
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

NIA

STRUCTURES:

1- 8' x 12' Bldg.

OTHER:

NIA

COMPANY NAME:

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2003

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	19	78,130	78,130
FEBRUARY	20	97,100	97,100
MARCH	20	110,870	110,870
APRIL	20	134,990	134,990
MAY	21	138,890	138,890
JUNE	21	380,370	380,370
JULY	20	363,559	363,559
AUGUST	20	90,181	90,181
SEPTEMBER	20	105,640	105,640
OCTOBER	19	183,480	183,480
NOVEMBER	20	188,440	188,440
DECEMBER	19	113,310	113,310
TOTAL		N/A	1,984,960

Is the Water Utility located in an ADWR Active Management Area (AMA)?

() Yes

☒ No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes

☒ No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. <0.001 mg/l

(If more than one well, please list each separately)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME _____ YEAR ENDING 12/31/2003

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2003 was: \$ 286.⁷⁸

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

* Copies on Following Page *

012E 50263

SERVICEBERRY WATER COMPANY
MARK E. GRAPP
P.O. BOX 426
LAKESIDE, AZ 85929-0426

6075153


2157

Date 9-30-03

91-170/1221 AZ
8596

Pay to the
Order of

Apache Co Treasurer \$ 286 78

two hundred eighty six and 78/100 Dollars  Security features
are indicated.
Details on back

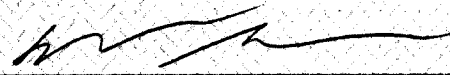
Bank of America.



ACH R/T 122101706

For

PID 942-90-900



MP

⑆122101706⑆ 000094007923⑈ 2157 ⑈0000028678⑈

COMPANY NAME _____

YEAR ENDING 12/31/2003

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported
Estimated or Actual Federal Tax Liability**NA - Sole Proprietorship pays
its taxes based on Owners
Schedule C income **State Taxable Income Reported
Estimated or Actual State Tax Liability

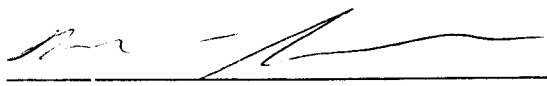
Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances
Amount of Gross-Up Tax Collected
Total Grossed-Up Contributions/Advances

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.



SIGNATURE

4-14-04

DATE

Mark Grapp

PRINTED NAME

Owner

TITLE

RECEIVED

APR 15 2004

**UTAH CORPORATION COMMISSION
DIRECTOR OF UTILITIES**

VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only

RECEIVED

APR 15 2004

ARIZONA CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>Apache</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Mark Grapp</u>
COMPANY NAME	<u>Serviceberry Water</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2003</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2003 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 11,413.86

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 650.89
IN SALES TAXES BILLED, OR COLLECTED

**REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

12/31

DAY OF

[Signature]
SIGNATURE OF OWNER OR OFFICIAL
928-537-8739
TELEPHONE NUMBER

COUNTY NAME	<u>Navajo</u>
MONTH	<u>April</u> 20 <u>04</u>



[Signature]
SIGNATURE OF NOTARY PUBLIC

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

RECEIVED

APR 12 2004

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

(COUNTY NAME) <u>Apache</u>		ARIZONA CORPORATION COMMISSION DIRECTOR OF UTILITIES	
NAME (OWNER OR OFFICIAL) <u>Mark Grapp</u>		TITLE <u>Owner</u>	
COMPANY NAME <u>Serviceberry Water</u>			

MONTH	DAY	YEAR
12	31	2003

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2003 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ <u>11,413.86</u>

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 650.89
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.


SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

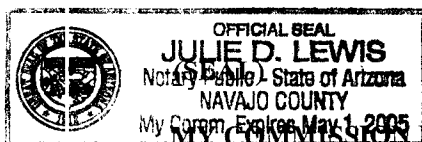
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

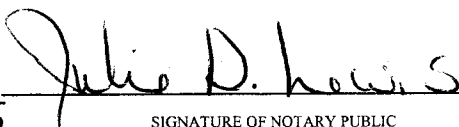
12th

DAY OF

NOTARY PUBLIC NAME <u>Julie D. Lewis</u>
COUNTY NAME <u>Navajo</u>
MONTH <u>April</u> 20 <u>04</u>



EXPIRES May 1st 2005


SIGNATURE OF NOTARY PUBLIC